

NEBRASKA: EXPORTS, JOBS, AND FOREIGN INVESTMENT

Exports Mean Jobs for Nebraska's Workers

- Over one-seventh (14.7 percent) of all manufacturing workers in Nebraska depend on exports for their jobs. This is less than the national-level share of manufacturing workers supported by exports (20.5 percent). (2001 data latest available)
- Export-supported jobs account for an estimated 7.0 percent of Nebraska's total private-sector employment (roughly one of every 14 jobs). This is above the national figure of 6.5 percent (one of every 15 jobs). (2001 data latest available)

Note: Export-related jobs estimates include only jobs supported by exports of manufactured goods; jobs generated by exports of services are excluded. Consequently, the numbers understate the total employment impact of exports. Source: State Export-Related Employment Project, International Trade Administration & Census Bureau.

Exports Help Sustain Over One Thousand Nebraska Firms—Small As Well As Large

- A total of 1,560 companies exported goods from Nebraska locations in 2001. Of those, 1,183 (76 percent) were small and medium-sized enterprises with fewer than 500 employees.
- Small and medium-sized firms generated 42 percent of Nebraska's total exports of merchandise in 2001. That was the eighth highest percentage among the 50 states, and well above the national average of 29 percent.

Source: Exporter Data Base, International Trade Administration & Census Bureau

Economic Globalization: A Two-Way Street for Nebraska

- In 2002, majority-owned affiliates of foreign companies employed 19,300 workers in Nebraska.
- Nearly half (forty-eight percent) of these foreign-investment-supported jobs (9,200 workers) were in the manufacturing sector in 2002.
- Majority-owned affiliates of foreign firms accounted for 7.7 percent of total manufacturing employment in Nebraska in 2001.
- Foreign investment in Nebraska was responsible for 2.6 percent of the state's total private-industry employment in 2001.
- Major sources of Nebraska's foreign-investment-supported jobs in 2002 were Canada, the United Kingdom, the Netherlands, France, Japan, and Switzerland.

Note: All figures exclude employment in banks affiliated with foreign companies. Source: Bureau of Economic Analysis.

Nebraska Depends on World Markets

- Nebraska's export shipments of merchandise in 2003 totaled \$2.7 billion, up 30 percent from \$2.1 billion in 1999. That is more than six times the national growth of 4.5 percent in merchandise exports over this period, and is the eighth largest percentage gain among the 50 states.

- Nebraska exported globally to 159 foreign destinations in 2003. The state's largest market in 2003 was NAFTA member Canada, which received goods exports of \$700 million (26 percent) of Nebraska's total exports that year. Canada was followed by NAFTA member Mexico (\$472 million), and Japan (\$358 million). Other top markets included South Korea, the Netherlands, China, Taiwan, Australia, Italy, and Singapore.
- Mexico has been Nebraska's biggest growth market, in dollar terms. Export shipments to Mexico rose from \$252 million in 1999 to \$472 million in 2003, an increase of \$221 million. Other countries which recorded large increases in merchandise exports from Nebraska over this period were Canada (up \$155 million), South Korea (up \$88 million), and China (up \$61 million).
- Of Nebraska's 30 major markets, exports to Italy grew the fastest over the 1999-2003 period, increasing 306 percent from \$15 million to \$61 million. Nebraska more than doubled its exports to China (up 269 percent), New Zealand (up 266 percent), Thailand (up 234 percent), South Africa (up 140 percent), and South Korea (up 111 percent).
- Nebraska's leading manufactured export category is processed foods, which alone accounted for \$955 million, or 35 percent, of Nebraska's total export shipments in 2003. Other top manufactured exports that year included machinery manufactures (\$294 million), chemical manufactures (\$249 million), and transportation equipment (\$235 million).
- In dollar terms, Nebraska's leading manufactured export growth category is chemical manufactures. Export shipments of these products during the 1999-2003 period grew from \$110 million to \$250 million. Other manufactured export categories that registered large dollar growth over this time span were machinery manufactures (up \$106 million), processed foods (up \$60 million), and transportation equipment (up \$54 million).
- In percentage terms, Nebraska's fastest-growing manufactured export category is fabric mill products, which grew 243 percent from a \$3 million level in 1999 to \$11 million in 2003. Other rapidly growing manufactured exports during this period were beverage and tobacco products (up 189 percent), chemical manufactures (up 127 percent), and furniture and related products (up 95 percent).

Source: Origin of Movement State Export Series, Bureau of the Census.

Caution: The Origin of Movement series allocates exports to states based on transportation origin, i.e., the state from which goods began their journey to the port (or other point) of exit from the United States. The transportation origin of exports is not always the same as the location where the goods were produced. Consequently, conclusions about "export production" in a state should not be made solely on the basis of the Origin of Movement state export figures.

Prepared by the Office of Trade and Industry Information, International Trade Administration, U.S. Department of Commerce.